



Department of  
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Media Relations

Washington, DC 20420  
(202) 273-5700  
[www.va.gov](http://www.va.gov)

## VA's Qs & As

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### CARES Phase II

#### **What does CARES mean?**

It is an acronym that stands for "Capital Asset Realignment for Enhanced Services." CARES is a reorganization study to ensure veterans receive the right care, at the right time, at the right place. It is designed to objectively evaluate the best ways to provide quality health care and services, to more veterans, in more locations, now and into the future.

#### **Why is this needed? VA says it provides excellent health care now.**

It's true. Numerous studies have shown VA to be on par, or superior to, private health care. However, that doesn't mean it cannot improve. New technology and a change in treatment philosophy from inpatient to primarily outpatient care have outpaced VA's health care infrastructure. Designed and built decades ago under a different concept of medical care, VA's facilities today do not consistently support optimal access to veterans for the least cost. A new focus -- health care is local -- emphasizes putting resources into community-based facilities close to where veterans live. CARES is a responsible and necessary process to ensure veterans are getting the best health care possible now and in the future.

#### **Wasn't there a report on this in the past couple of years?**

Yes. A General Accounting Office report in 1999 concluded that VA was spending too much money to operate and maintain its buildings and other capital assets. In fact, according to the report, VA currently spends one of every four dollars on capital assets and should develop a market-based program for restructuring its assets. This report, along with veterans' needs, was the impetus for CARES.

#### **What makes VA think CARES will work?**

Two words sum it up -- objectivity and consistency. Objective standards and data have been developed that will be used nationwide and evaluated consistently across the country. Although VA has been working for years to restructure and has made many advances, there was no consistent set of data and standards by which capital asset decisions were made on a national basis. Under CARES, a national evaluation process will also help to ensure that the best decisions for veterans' health care are made.

#### **Bottom line. Isn't this really about closing facilities?**

The CARES' goal is to improve health care delivery. It will develop strategies for meeting current and future veteran needs for accessible, quality health care and aligning capital assets to meet those needs. In fact, CARES may recommend that VA open new sites. CARES planning initiatives, accepted by the under secretary for health, that involve a significant mission change for a facility will require approval by the Secretary of Veterans Affairs. If approved, the Secretary will submit reports describing the option to appropriate congressional committees and national stakeholder groups. There will be a formal 60-day comment period before the CARES commission makes recommendations to the Secretary.

### **Now that Phase I is complete, what did VA learn from it?**

Phase I was designed as a pilot so that VA could learn from it and make changes in the process for the remaining networks. This has resulted in a more open, inclusive process where stakeholders will be informed and able to offer input early on in the effort. Another major change is that the VA headquarters CARES office will be in charge of developing the CARES plan, using carefully analyzed data from multiple sources and applying criteria and actuarial projections. Lastly, Phase II of CARES for the remaining Networks will be more cost effective by making greater use of VA experts and planners.

### **Will VA continue to contract with Booz-Allen & Hamilton, Inc.?**

VA has current contracts with Booz-Allen. The effort with Phase I was very helpful and it was truly a learning process for VA. Contracts in Phase II will be specifically focused on actuarial data and veteran population projections.

### **How will Phase II of CARES work?**

CARES will assess veterans' health care needs by Network (VA has organized its hospitals, clinics and other assets into 21 Veterans Integrated Service Networks). Each Network will be divided into specific market areas, primarily based on enrolled veteran populations.

- 1) **Market Analysis of Veterans' Health Care Needs:** The CARES headquarters office will collect extensive facility data, such as number of square feet, the condition of the available space and services provided to determine the capacity to deliver services in each market. Network strategic plans and detailed actuarial enrollment projections will identify the expected demand for health care services in each market.
- 2) **Initiative Development:** From this planning base, the CARES office will analyze each health care market and will apply the standards and criteria (see attached) and other analyses to the data. The CARES office, in conjunction with Network personnel, will identify planning initiatives that cover duplications and overlaps in clinical services and infrastructure, inadequate health care access and excessive vacant space. The CARES planning initiatives will be designed to address all of the major program elements of VA care: acute, outpatient, long term, mental health, spinal cord injury and other special programs.
- 3) **Network Completion of Planning Initiatives:** Each Network will review the planning initiatives and recommend actions to resolve the issues identified in each planning initiative to meet the current and future requirements for optimum type and location of capital assets to meet veterans health care needs. During this process, stakeholder input will be solicited and carefully considered.
- 4) **National CARES Plan:** Input from Networks will be incorporated into a draft National CARES Plan approved and published by the Under Secretary for Health.
- 5) **CARES Commission:** Once the draft National CARES plan is completed, an independent commission selected by the Secretary of VA will evaluate the market plans. As part of the commission's evaluation, hearings may be held with, and comments accepted from, local stakeholders. Only after careful evaluation of these comments will the commission then forward its recommendations to the Secretary.
- 6) **Secretary Announces Final CARES Plan:** It is anticipated that the entire process will culminate with the Secretary's announcement in late 2003.

**How does Phase II differ from the pilot phase in VISN 12?**

A major difference in Phase II is that the Secretary of VA will appoint a CARES Commission. The Commission will permit more external expert review and input. The Commission will be a critical focus for communication with stakeholders and communities in the final stages of the VA review and recommendation development process. The other major difference is that VACO and the Networks will identify and complete the planning initiatives rather than a contractor.

**Who will set and evaluate CARES standards and criteria?**

The Secretary of VA set the CARES standards and criteria after an extensive review of VA's strategic policy process and in deliberation with the Veterans Health Administration's policy board. The criteria were based on improving access to VA health care in the most cost effective manner, while addressing potential impacts on staffing, communities and other VA missions.

**What role does the Network and stakeholders play in this?**

A formal CARES planning process will be conducted on each Network, based on market areas. Each network will assemble a CARES task force that will evaluate data and develop market-based planning initiatives. A key function for the Network will be to maintain effective communication with all stakeholders. The Network will ensure that VA's stakeholders are kept fully informed throughout the process and that all stakeholder comments and concerns are communicated back to the CARES task force and the CARES Commission.

**What kind of criteria will be evaluated in the CARES study?**

Numerous factors will be evaluated, including demographics; health care quality as measured by need and access; technology and directions of health care; work force and community assets; facility capacity and functions, and ability to support other VA missions like research, homeland security and DoD/VA sharing initiatives. Based upon these criteria the Network will select the best ways to provide health care as part of the planning initiative. Each planning initiative must demonstrate VA's commitment to its bottom line: Does it improve health care for veterans?

**What's the difference between "threshold" and "impact criteria" criteria?**

Threshold criteria are benchmarks or standards that must be met for any planning initiative to be considered. The three absolute criteria include health care needs, quality and safety of the health care environment. For example, an initiative must provide for a safe and healthy environment for patients, visitors and staff, and an appropriate mix of inpatient and outpatient care. Criteria, with associated sub-criteria, allow for a comprehensive assessment of the planning initiative on key missions and objectives such as DoD sharing, research and education and cost.

**How will veterans benefit from CARES?**

VA intends to keep pace with technology and advances in the medical field not just to provide adequate care, but also to provide the finest care in the world. Measurable, consistent evaluation will enable VA to make the best decisions possible for veterans' health care today and in the future, in the most cost-effective manner. The needs of special disability groups will be addressed and remain a priority. Once CARES is completed, veteran satisfaction is expected to increase as a result of better access, more efficient programs and superior support services.